Virginia Energy Plan Advisory Group Meeting Minutes
November 2, 2006, 2:00 p.m.
College of William and Mary
Williamsburg, Virginia

Secretary L. Preston Bryant, Jr., Secretary of Natural Resources opened the meeting.

Introductions

Mr. Bryant performed meeting introductions. This was followed by attendees introducing themselves followed by a review of the agenda.

Background

John Warren from DMME reviewed the statute calling for the Energy Plan, the eight primary plan objectives, and plan outline.

Energy Resources and Consumption Presentations

Dick Spellman from GDS Associates Inc. provided a presentation and general overview of Virginia's Energy Efficiency and Conservation.

Mark Tubbs with Columbia Gas of Virginia provided a presentation and general overview of Decoupling: A New Way to Look at Rate Design

Annette Osso with Virginia Sustainable Building Network provided a presentation and general overview of Conservation and Energy Efficiency Potential in the Building Sector

Scott McGeary with Washington Gas provided a presentation and general overview of Conservation and Usage Reduction

Linda McMinimy with the Virginia Transit Authority provided a presentation and general overview of Public Transportation = Energy Efficiency and Fuel Conservation

Don Giecek with Chesapeake Climate Action Network provided a presentation and general overview of Renewable Energy Portfolio Standard Electric Energy Savings

Theo DeWolff with the Wind Energy Industry provided a presentation and general overview of Wind Energy: A Viable Alternative Energy Source for Virginia

Billy Weitzenfeld with Virginia Association of Energy Conservation Professionals spoke on Recommendations and Proposals for Consideration by the Virginia Energy Plan Advisory Group

Richard Ball with the Sierra Club spoke on How the Virginia Energy Plan Should Deal With Climate Change

Advisory Group Open Discussion

Mr. Bryant introduced discussion questions on energy efficiency and conservation issues.

Discussion Question 1
We have seen in the consultant's presentation that Virginia consumes more energy then it produces and conservation can have an important impact on this consumption. What level of savings do you think can be realistically achieved through conservation and improved efficiency?

Question 1 Discussion

Dr. Richard Hirsch, Virginia Citizens Consumer Council
The sky is the limit to a certain extent. One way to achieve huge savings in energy is to make sure the energy companies make a lot of money by doing energy efficiency. Virginia does not have incentives for utilities to do more energy efficiency.

Annette Osso, Virginia Sustainable Building Network
As a state government we have to take a stand and put a number where we want to be and take a stab at it. Start measuring our progress and variances.

Jim Kibler, Virginia Oil and Gas Association
It's a difficult question to answer as broadly as it is posed.

Mike Town, Sierra Club
California, Vermont and New Jersey are a good model to show, through unobtrusive and practical means, you can get 10% to 15% energy efficiency as energy conservation fairly quickly. Putting more of our transportation money into transit and other transportation choices, and away from just maintenance on roads and of a single car mentality we can achieve a lot of energy.

Herbert Wheary, Dominion Resources
Have a rate structure that allows price signals to operate so that consumers can make a rational decision to know how much they want to invest in enhanced efficiency.

Terry Hall, Appalachian Power
Educational efforts are being made through communications, yearly types of advisories, funding and support of conservation seminars.

Scott McGeary, Washington Gas
Support a sales tax holiday, such as the one in Florida to be enacted by the General Assembly.

Don Giecek, Chesapeake Climate Action Network
It is up to us as environmentalists and conservationists to work to conserve the land, resources and flora and fauna ecosystems and to educate the public.

Discussion Question 2
Energy shortages in the 70's and 80's resulted in considerable efforts aimed at energy conservation and efficiency. Based on the previous effects of consumer awareness, the current media 'spotlight' on energy, and the ease of access to Internet based and other consumer education materials, what additional actions should be taken with respect to consumer education and what kind of results would you anticipate?

Question 2 Discussion

Billy Weitzenfeld, Virginia Association of Energy Conservation Professionals

There is a lot of good information out there and sincere efforts are being made. How do we get consumers to participate? A very aggressive, hands-on, well-funded effort is what is necessary. Professional home energy audits should be developed.

Annette Osso:
Consumers need to be engaged. Creative and interactive neighborhood walk in centers could be set up.

Mike Town:
Education and incentives is the best approach to energy conservation.

Amy Hewettt, Virginia Chamber of Commerce
Local chapters of the Chamber of Commerce and the National Federation of Independent Small Business can be a resource to small businesses to help with an energy conservation program.

Discussion Question 3
Previous discussions have shown that home energy use and gasoline for transportation are two primary pieces of the energy consumption pie. What short-term and long-term actions or incentives would you recommend in order for homeowners to conserve energy in their homes and cars?

Question 3 Discussion

Mike Ward, Virginia Petroleum Council
The best way to target efficiency and conservation is to reduce its use in whatever way you can. Whether it's changing habits, changing lifestyles, short or long term, that's the best target for energy efficiency.

Annette Osso:
Incentive grants work quite well.

Jim Kibler:
An excellent way to start the process would be to start out small with light bulbs or programmable thermostats and grow from there. Measure the results and show the return to the General Assembly year after year.

Mike Edwards, Virginia Association of Counties
Tax credits certainly help but an employer can help even more. Virginia employers are granting greater employee benefits for transit than they are for parking.

Linda McMinimy, Virginia Transit Association
One employer benefit that is very effective is to encourage employees in ride sharing. A priority should be put on encouraging localities to put in more walking paths.

Amy Hewett:
There are a lot of businesses that have commercial fleets. Improving driver habits would help efficiency.

Scott McGeary:
Transit incentives are offered at Washington Gas. Also a policy on teleworking was recently implemented.

Mike Carruth, Virginia Economic Development Partnership

In any incentive that you are looking at especially in a new type of business such as solar, you get a double bang for your buck. You conserve energy but you also drive economic development within the state.

Dr. Richard Hirsch:

Establishing higher building codes will conserve energy and will not cost the state a cent.

Dan Holmes, Piedmont Environmental Council

We need to continue to look at high-energy users.

Discussion Question 4

Productivity statistics reflect favorably when charting GDP relative to energy consumption. There has also been considerable discussion on the importance of affordable and reliable energy with respect to the health of Virginia's commercial and industrial sectors. What do you see as the role of conservation and efficiency in maintaining the Commonwealth's economic competitive edge?

Question 4 Discussion

Hugh Montgomery, Center for Innovative Technology

We have to do a better job around this table and within our state and within our nation, of educating and conserving, because energy conserved is energy saved.

Al Christopher, Virginia Clean Cities, Virginia Hydrogen Roundtable

Make people understand why we need to conserve energy and improve efficiency and to find alternatives. Show the consumer the real costs of what they are doing.

Mike Town:

There is significant financial incentive for us to reduce our greenhouse gas emissions, and that the cost of doing nothing is going to be much greater than the cost of doing something.

Herbert Wheary:

Economic development is tied to the ability to ensure the prospect of adequate electricity and the energy sources available at potential sites in the Commonwealth. The more efficiency and conservation we have without having to build power stations will help.

Judy Dunscomb, The Nature Conservancy

Virginia has a number of principles with regard to water, including the idea that water can be put to a beneficial use, but not to the extent that it can be wasted. It would be interesting to consider having a similar approach to energy as well.

Discussion Question 5

There are a number of government sponsored, private sector, and non-profit organizations promoting energy efficiency and conservation in the Commonwealth. What recommendations do you have that would further efforts and create synergy among these groups? Should there be an "umbrella" organization and if so, how should it be funded?

Question 5 Discussion

Denise Thompson, Virginia Municipal League

There is a strong parallel between energy conservation and water conservation. It may be worth talking more about the Vermont Public Benefit Organization

Herbert Wheary:
An observation is that DMME would be the entity that would be the government support for any building coalition.

Annette Osso:
I would like to mention the Virginia Sustainable Future Forum as an umbrella group. It is a great way to bring a diverse group together from many different sectors to discuss all aspects of sustainability, which includes energy, rebuilding, water management, etc. It is out there as an ongoing discussion group.

Discussion Question 6
Demand response represents an opportunity to reduce the cost of electricity to consumers while enhancing system reliability. Demand reduction options may include time-of-use or other curtailment strategies. What are the challenges and benefits associated with demand response at the large industrial/commercial level? At the residential level?
(Residential sector strategy option for discussion: participating in PJM Demand Response program, aggregator sends curtailment signal to customers home, and passes PJM payment to customers as savings on their bill)

Question 6 Discussion

Cliona Robb, Christian & Barton Law Firm
There is a lot of potential with the PJM Demand Response Program. A mechanism for dispute resolution would be a significant help in implementing the promise of the PJM Demand Response program.

Billy Weitzenfeld:
Consumers are not aware of the different demand opportunities available.

Mike Town:
When you look at things like load shifting and time of use type issues, which can be very effective in reducing energy you have to be sure it is not just shifting your peak. The goal for any type of time of use policy would be for conservation and plan it in a way that would allow that goal to be achieved.

Mr. Hall:
Utilities are required under state law to have limit capacity to provide for peak demand.

Mark Tubbs, Columbia Gas of Virginia
Columbia Gas hit an all time peak this summer as a direct result of co-generation

Jim Kibler:
Industrial customers have had interruptible rates for decades.

Public Session
5:30 p.m.

John Warren performed introductions and provided a brief background on the Energy Plan process.

Alden Hathaway

Spoke on the need for Virginia's energy policy to be balanced towards a distributed generation, demand-side management response and energy efficiency upgrade. We need to look at our energy policy and make sure it is improved in regards to the impending changes in electric rate policies and also by way of thinking about energy in the 21st century.

Linda Rice

Spoke on the development of energy audits for state facilities. Recommended using state parks as demo sites for new technologies. Also tax credits for businesses that utilize their waste.

Wayne Nunnally

Is another reactor really necessary? Could the costs of another reactor be redirected for photovoltaics for its citizens?

Jake Reeder, Student Environmental Action Coalition & the Chesapeake Climate Action Network

Spoke about the Youth Energy Summit taking place November 3 through November 5, 2006 at the College of William & Mary. Request the state support student initiatives to reduce energy costs at our universities.

Amy Shields

Create scholarship and fellowships that allow students to work with energy measures on campus.

Liz Martin, Natural Resources Defense Council

Virginia should be leading the way in energy efficiency but are falling behind the rest of the nation. Some recommendations would be to establish a public benefits fund, state appliance efficiency standards and go beyond the current building code standards.

Khlaire Parre, Chesapeake Climate Action Network (Richmond Chapter), Cool Cities Initiative, Advisory Committee to the Mayor for the City of Richmond

Recommend green power programs in Virginia such as the one in North Carolina. We as a country produce or utilize more energy per person than any other place. We have the unprecedented opportunity to really make a difference.

Larry Rousell

We need to educate people as much as we can. Global warming is a critical issue. Have user fees in order to transfer money from those who are emitting more carbon dioxide and other pollutants than necessary and transfer those fees into incentives.

Meeting adjourned.